

State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

Representatives Present During the Inspection: Company David Shaver Manager OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070033		
Inspection Type:	PARTIAL		
Inspection Date:	Friday, January 18, 2008		
Start Date/Time:	1/18/2008 10:20:00 AM		
End Date/Time:	1/18/2008 11:05:00 AM		
Last Inspection:	Wednesday, January 02, 2008		

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear and cold; teens F. InspectionID Report Number: 1530

Types of Operations

Accepted by: dhaddock 1)

2/1/2008

Permitee: ANDALEX RESOURCES INC TOWER DIVISION Operator: ANDALEX RESOURCES INC TOWER DIVISION

Site: WILDCAT LOADOUT

Address: 6750 AIRPORT RD, PO BOX 902 PRICE UT 84501

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Total Permitted		
Total Disturbed	63.70	
Phase I		
Phase II		
Phase III		

Mineral Ownership

•	**
✓ Federal	Underground
☐ State	☐ Surface
☐ County	✓ Loadout
☐ Fee	✓ Processing
Other	Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the required quarterly electronic submittals of surface water monitoring information, and continues to meet this Special Condition included as Attachment "A" of the current State permit. A three way review of the Wildcat mining and reclamation plan is scheduled to occur on February 5, 2008. The site remains snow covered; very little melting has occurred since the previous inspection.

Inspector's Signature:

Pete Hess, Environmental Scientist III

Date

Friday, January 18, 2008

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov Permit Number: C0070033 Inspection Type: PARTIAL

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale				
2.	Signs and Markers	V			
3.	Topsoil				
4.a	Hydrologic Balance: Diversions	✓		✓	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓			
4.c	Hydrologic Balance: Other Sediment Control Measures				
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives				
6.	Disposal of Excess Spoil, Fills, Benches		✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments	✓		✓	
8.	Noncoal Waste	✓			
9.	Protection of Fish, Wildlife and Related Environmental Issues				
10.			✓		
11.	Contemporaneous Reclamation		✓		
12.	Backfilling And Grading		✓		
13.	Revegetation		✓		
14.	Subsidence Control		✓		
15.	Cessation of Operations		V		
16.a	a Roads: Construction, Maintenance, Surfacing	~			
16.Ł	Roads: Drainage Controls	✓			
17.	Other Transportation Facilities	✓		✓	
18.	Support Facilities, Utility Installations	V			
19.	AVS Check				
20.	Air Quality Permit	V		✓	
21.	Bonding and Insurance				
22.	Other				

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4.a Hydrologic Balance: Diversions

Piles of snow are located about the site from the snow removal process. Although most of the diversions are under snow, the accumulations are natural, and the surface drainage system appears capable of functioning as designed. None of the diversions which were observed had additional snow volumes pushed into them.

4.d Hydrologic Balance: Water Monitoring

Wildcat Wash is snow covered. No thawing was occurring this day.

7. Coal Mine Waste, Refuse Piles, Impoundments

The Wildcat waste rock site is snow covered; there is no activity at present. The pile appears stable; there is no indication of combustion within the stored material.

17. Other Transportation Facilities

Some coal spillage was observed at the train loadout. The Permittee was asked to clean this up as soon as possible. Current temperatures are causing difficult operating conditions for not only mobile equipment but conveyor systems as well.

20. Air Quality Permit

The Permittee intends to submit a response to the pending Divison Order on January 31, 2008.